

## Message Text

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72

ACTION EUR-25

INFO OCT-01 IO-14 ISO-00 SS-20 AGR-20 L-03 AID-20 CEA-02

CIAE-00 COME-00 EB-11 FRB-02 INR-10 NSAE-00 RSC-01

CIEP-02 SPC-03 STR-08 TRSE-00 LAB-06 SIL-01 OMB-01

PA-04 PRS-01 USIA-15 NSC-10 TAR-02 DRC-01 /183 W

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R 211940Z NOV 73

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 5756

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USMISSION GENEVA

USMISSION OECD PARIS

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E.O. 11652: N/A

TAGS: EAGR, EEC, UK

SUBJECT: PROPOSED CAP FOR ALCOHOL

REF: A) STATE 221632; B) ECA-305 OF NOVEMBER 3, 1972

1. ON NOVEMBER 21, WE CALLED ON NEIL SMITH (DEPUTY HEAD, INTERNAL AFFAIRS SECTION, EUROPEAN INTEGRATION DEPARTMENT, FCO) IN ORDER TO REITERATE U.S. OBJECTIONS TO THE EC COMMISSION'S PROPOSAL REGARDING A CAP FOR ALCOHOL. WE GAVE SMITH A COPY OF USEC'S AIDE MEMOIRE OF OCTOBER 1972 (REF.B) AND WENT OVER THE MAIN POINTS

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WITH HIM ORALLY.

2. SMITH EXPECTS THAT COUNCIL CONSIDERATION OF A CAP FOR ALCOHOL WILL BE LINKED WITH ITS DISCUSSION OF 1974/75 AGRICULTURAL PRICES AND THE COMMISSION'S PROPOSAL FOR ADJUSTMENTS IN THE CAP. HE DOUBTS THAT ANY DECISIONS WILL BE MADE ON ALCOHOL UNTIL LATE SPRING. IT WAS PARTICULARLY USEFUL FOR THE UK TO HAVE A REITERATION OF US VIEWS AT THIS TIME, WHEN THE COMMISSION IS CONSIDERING CHANGES IN ITS PROPOSAL.

3. SMITH SAID THAT THE UK IS OPPOSED TO RESTRICTIONS ON EC IMPORTS OF GRAINS USED IN THE PRODUCTION OF ETHYL ALCOHOL AND SPIRITS. THE BRITISH WOULD MUCH PREFER TO CONTINUE IMPORTING FROM THEIR TRADITIONAL SOURCES OF SUPPLY. IF THE PRODUCERS OF SCOTCH WHISKY ARE OBLIGED TO IMPORT GRAIN AT HIGHER PRICES FROM OTHER EC MEMBER STATES, HOWEVER, THEY WILL WANT EC EXPORT SUBSIDIES AS COMPENSATION. WE STRESSED THE SERIOUS POLITICAL AND TRADE IMPLICATIONS THAT WOULD RESULT FROM THE ENACTMENT OF A SYSTEM OF EXPORT SUBSIDIES ALONG THE LINES PROPOSED BY THE COMMISSION.

4. SMITH ASSURED US THAT HE WOULD INFORM THE APPROPRIATE OFFICES IN MAFF AND THE DTI OF OUR REITERATION OF U.S. CONCERNS.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ALCOHOLS, AGRICULTURAL POLICIES, TRADE CONTROLS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 21 NOV 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** worrelsw  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973LONDON13654  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** LONDON  
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**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** A) STATE 221632; B) ECA-305 OF NOVEM, BER 3, 1972  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** worrelsw  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 27 JUL 2001  
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**Review Exemptions:** n/a  
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**Review Markings:**

Declassified/Released  
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30 JUN 2005

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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PROPOSED CAP FOR ALCOHOL  
**TAGS:** EAGR, UK, EEC  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005